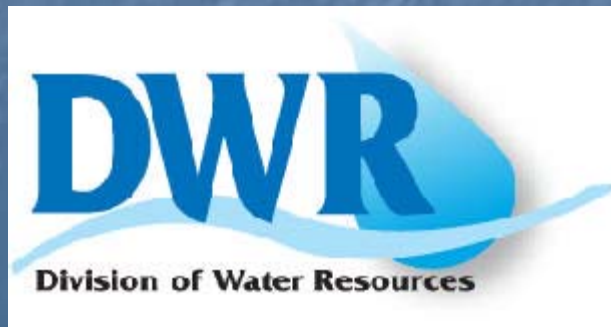


Roanoke River Basin
Bi-State Commission

**Kerr Lake Regional Water System
Interbasin Transfer Update
&
Jordan Lake Water Supply Allocations**
Tom Fransen

North Carolina Division of Water Resources



Kerr Lake Regional Water System Interbasin Transfer Update

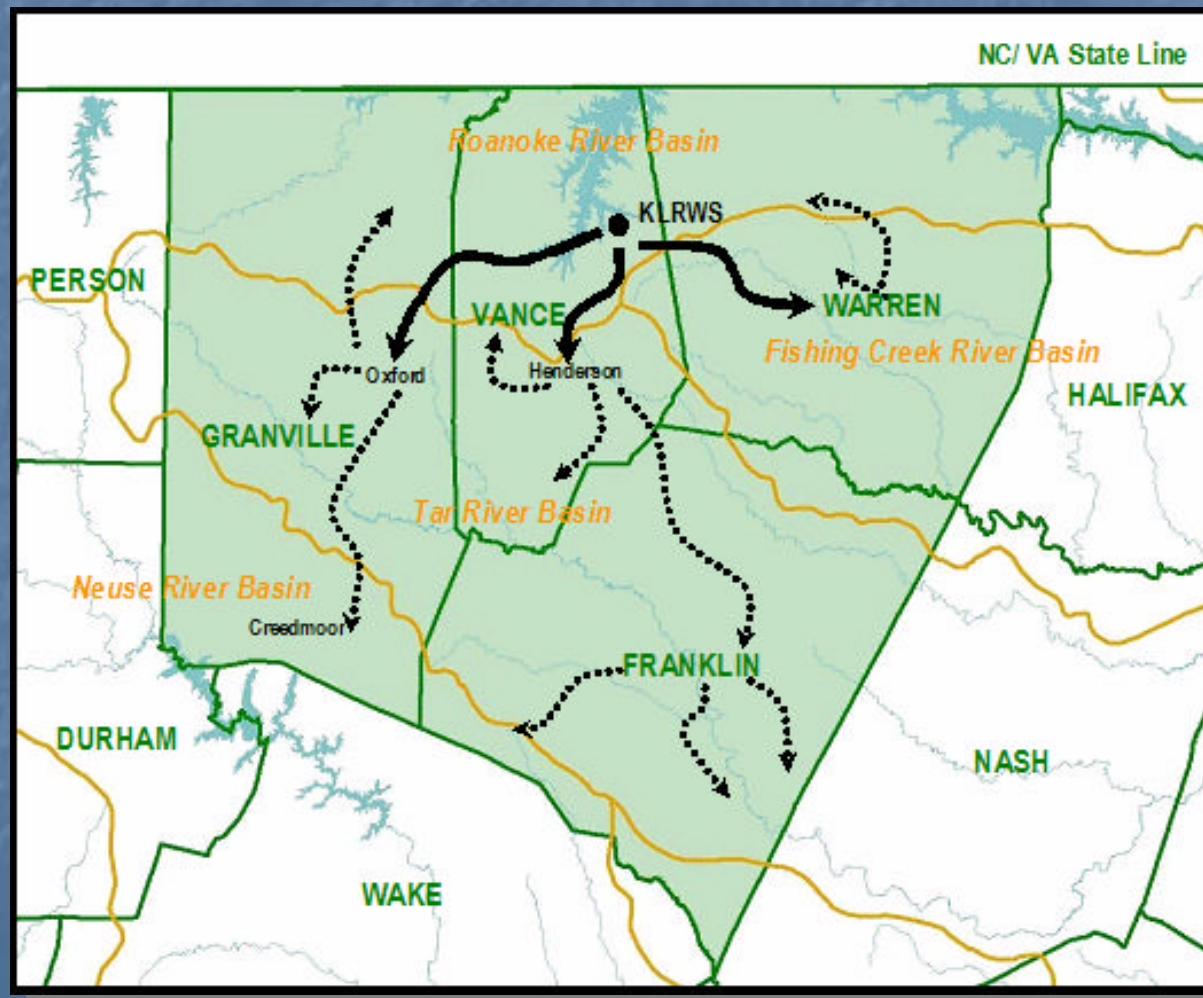
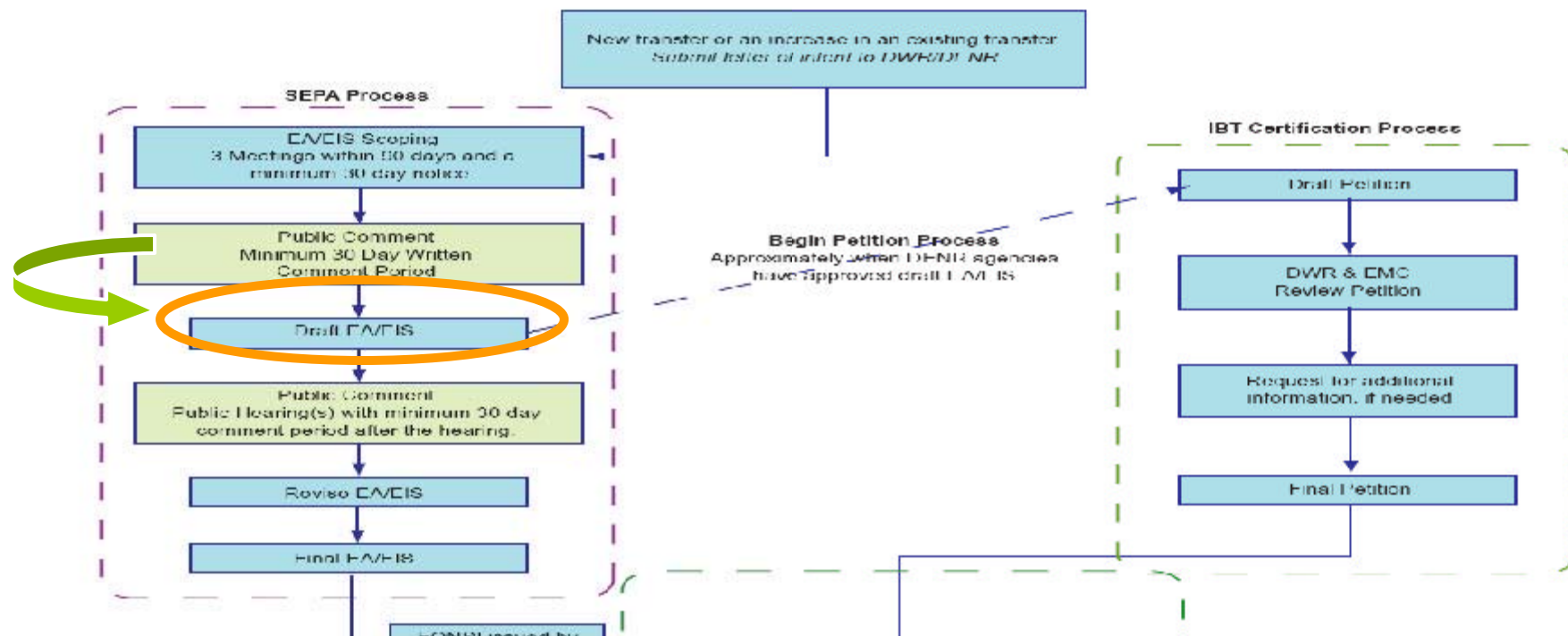


EXHIBIT A

[illegible]

Kerr Lake Regional Water System IBT Update

■ **4th Quarter 2009 Activities**

- Continuation of preparing DEIS – Collection of Existing Conditions data for study area and development of outline for alternatives analysis process.
- Development of updated Hydrologic Model for Roanoke River Basin

■ **1st Quarter 2010 Activities**

- Completion of DEIS for review by NC DWR
- Planning for the next phase of the project, including full agency review of the Draft EIS.

Updates on the web at -

http://www.ncwater.org/Permits_and_Registration/Interbasin_Transfer/

Settlement Guidance Development

NC General Statute §143-215.22L(h) allows the Environmental Management Commission (EMC) to initiate settlement discussions during the interbasin transfer certification process.

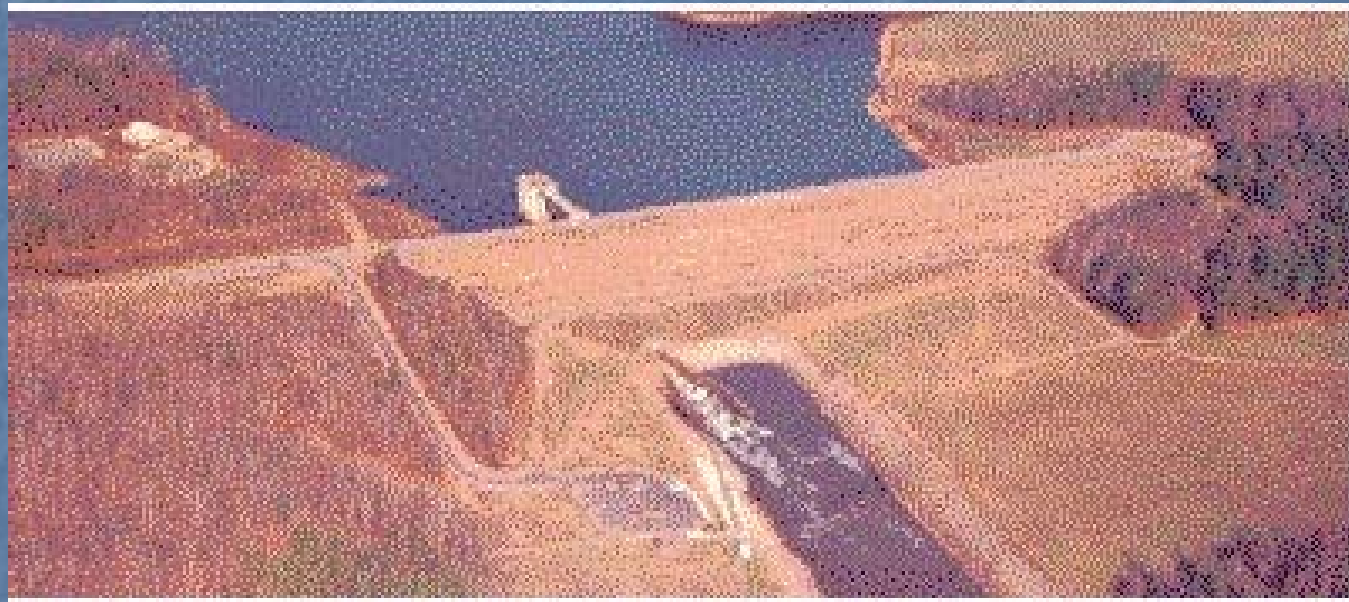
- ❏ "Upon the request of the applicant, any interested party, or the Department, or upon its own motion, the Commission may appoint a mediation officer ... "
- ❏ "The mediation officer shall make a reasonable effort to initiate settlement discussions between the applicant and all other interested parties ... "
- ❏ "Evidence of statements made and conduct that occurs in a settlement discussion ... shall not be subject to discovery and shall be inadmissible in any subsequent proceeding on the petition for a certificate. "
- ❏ "The Commission may adopt rules to govern the conduct of the mediation process."

Draft is online at

http://www.ncwater.org/Permits_and_Registration/EMCWACPresentations/

November 18, 2009 Presentation.

Jordan Lake Water Supply Allocation And the Roanoke River Basin Bi-State Commission



Key Factors

- Jordan Lake is the only reservoir NC controls the water supply storage in.
- The EMC not DENR determines who receives an allocation and the amount of the allocation.
- Each allocation acts like it's own virtual reservoir.
 - The allocation is a % of storage, not a withdrawal amount.

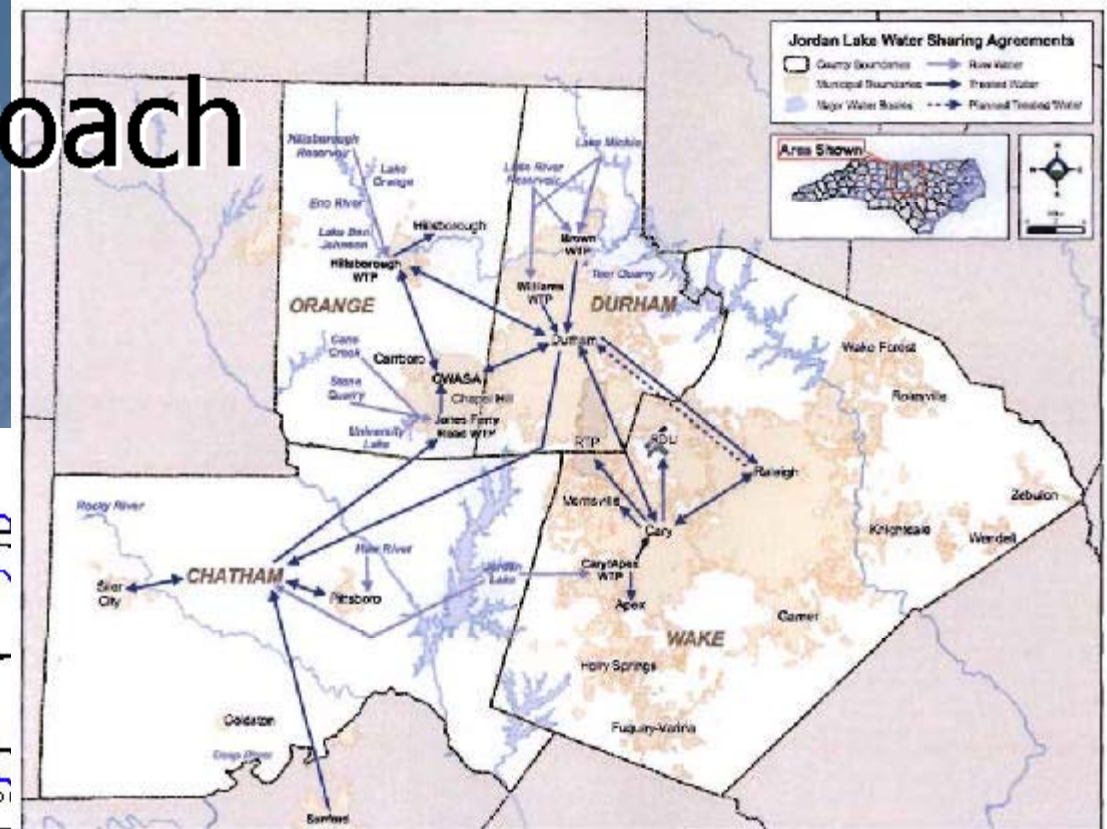
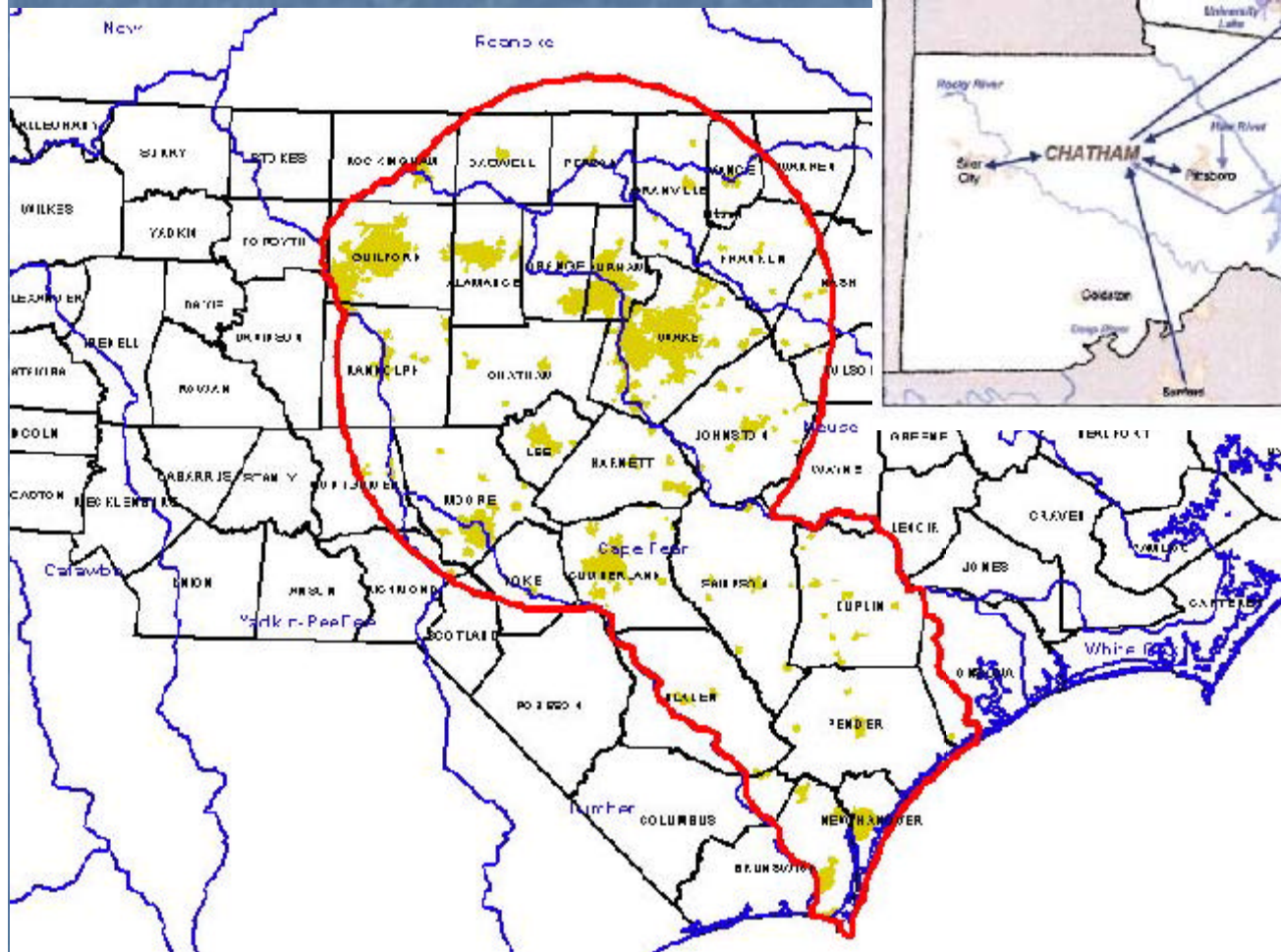
Jordan Lake compared to JH Kerr

- JH Kerr – Requests handled on a one-by-one basis.
 - Simpler faster approach.
- Jordan Lake – Requests handled as a group from a regional needs approach.
 - A more complex slower process.

Value of Regional Water Supply Planning

	Total savings per mgd	Annual Net benefit per household	B/C Ratio
Atlanta	\$1.48	\$3.83	2.0
Boston	\$3.45	\$28.92	1.8
Seattle	\$1.06	\$6.95	2.1
Phoenix	\$1.76	\$10.32	4.3
Houston	\$10.33	\$14.44	1.7
Median	\$1.76	\$10.32	2.0

Regional Approach



Jordan Lake Regional Water Supply Partnership

- Town of Apex
- Town of Cary
- Chatham County
- City of Durham
- Town of Hillsborough
- Town of Holly Springs
- Town of Morrisville
- Orange County
- Town of Pittsboro
- City of Raleigh
- Wake County

Jordan Lake Chronology

- 1967 – Construction begins.
- 1982 – Lake filled to normal pool
 - Rule making started.
 - 1st round of allocations started.
- 1988 – EMC approves 1st water supply allocations
- 1996 – 2nd round of allocations started.
- 1997 – EMC approves 2nd round non-IBT allocations.
- 2000 – EMC approves 2nd round IBT allocations.
- 2000 – 3rd round of allocations started.
- 2002 – EMC approves 3rd round of allocations.
- 11/20/2009 – Received request to start 4th round of allocations.

Statutory Authority

- **§ 143-354. Ordinary powers and duties of the Commission.**
 - (a) Powers and Duties in General. – Except as otherwise specified in this Article, the powers and duties of the Commission shall be as follows:
 - (11) The Commission is authorized to assign or transfer to any county or municipality or other local government having a need for water supply storage in federal projects any interest held by the State in such storage, upon the assumption of repayment obligation therefor, or compensation to the State, by such local government. The Commission shall also have the authority to reassign or transfer interests in such storage held by local governments, if indicated by the investigation of needs made pursuant to subdivision (1) of subsection (a) of this section, subject to equitable adjustment of financial responsibility.

Administrative Code

- **T15A:02G.0500 - ALLOCATION OF JORDAN LAKE WATER SUPPLY STORAGE**
 - **INTRODUCTION** - The State, acting through the Environmental Management Commission, will assign to **local governments** having a need for water supply capacity any interest held by the State in such storage, with proportional payment by the user to the State for the state's associated capital, interest, administrative and operating costs.
 - **DEFINITIONS**
 - **FORMAL APPLICATION**
 - **ALLOCATION OF WATER SUPPLY STORAGE**
 - **NOTIFICATION AND PAYMENT**
 - **RECIPIENTS' REQUIREMENTS**
 - **LOSS OF ALLOCATION**

Link to Interbasin Transfers

- **§ 143-215.22L. Regulation of surface water transfers.**
 - (k) Final Determination: Factors to be Considered. – In determining whether a certificate may be issued for the transfer, the Commission shall specifically consider each of the following items and state in writing its findings of fact and conclusions of law with regard to each item:
 - (7) If the water to be withdrawn or transferred is stored in a multipurpose reservoir constructed by the United States Army Corps of Engineers, the purposes and water storage allocations established for the reservoir at the time the reservoir was authorized by the Congress of the United States.

Overview of the Allocation Process

This is the proposed process for round 4 that still needs EMC approval.

- Request for an allocation and approval from EMC to proceed.
- Regional information meeting and application process meetings.
- Update basin model and draft water supply plan.
 - 50-year planning horizon
- Applicants submit allocation requests.
- IBT ?
 - No IBT
 - DWR reviews applications and finalize basin plan.
 - EMC makes decision after a public hearing.
 - IBT
 - Applicants involved in IBT go through IBT permitting process.
 - Applicants submit revised updated requests.
 - DWR reviews applications and finalize basin plan.
 - EMC makes decision on both allocations and IBT after public hearings.

How has it worked so far?

- All 3 rounds the total requested amount has been for more than is available.
 - Final approvals have always reserved some unallocated water for future needs
- Allocation holders that have not used their allocation have had their allocations reduced if they could justify still needing that amount of water.
- Added protection for the lake with buffer requirements.
- Encouraged regionalization by requiring existing intake owners to share access to the water with other allocation holders to the extent feasible.

How could the process be work for JH Kerr?

- Both States purchase from the Corps 50% of the remaining available water supply storage each.
- The States agree basic principals as to how they will allocate the storage they purchased.
- The States do a joint water supply basin plan.

Questions

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